

Strategic Problem Solving and Decision Making

A Comprehensive Step-by-Step Guide

Step 1: Define the Problem Clearly

Purpose:

Understand and articulate the core issue to ensure efforts are properly focused.

Actions:

1. **Identify the problem** – Write a clear, concise problem statement.
 - Avoid ambiguity.
 - Include who, what, where, when, Why and how it affects stakeholders.
2. **Differentiate between symptoms and root causes.**
 - Symptom: “Customer satisfaction is low.”
 - Root Cause: “Product support wait times are too long.”
3. **Use structured techniques:**
 - **5 Whys Analysis:** Ask “why?” repeatedly to dig down to the root cause.
 - **Fishbone Diagram (Ishikawa):** Categorize potential causes (people, processes, technology, etc.)
 - **Problem Framing:** Frame as an opportunity for improvement.

Tips:

- Don't jump to solutions before the problem is fully understood.
- Engage relevant stakeholders in defining the problem for clarity and buy-in.

Step 2: Use Rules of Reading Method To Read and Analyse Data. Use Rules of Reading Volume 4-29.

Step 3: Analyze the Situation

Purpose:

Gather insights into the problem's context to better understand the environment and variables at play.

Actions:

1. **Collect data** – both quantitative (metrics, KPIs, reports) and qualitative (interviews, surveys).
2. **Use Rules of Reading Method To Read and Analyse Data**
3. **Map key stakeholders** – Who is affected? Who has power or influence?
4. **Perform situational analysis:**
 - **SWOT Analysis:** Strengths, Weaknesses, Opportunities, Threats
 - **PESTLE Analysis:** Political, Economic, Social, Technological, Legal, Environmental factors
 - **Porter's 5 Forces** (for business strategy): Assess competitive pressure.
5. **Understand constraints:**
 - Time, budget, regulations, organizational culture, resources.

Tools:

- Data dashboards
- Customer journey maps
- Flowcharts or process maps

Tips:

- Avoid data overload—focus on relevance and decision-useful information.
- Challenge assumptions and biases during analysis.

Step 4: Review Logic, Critical Thinking and Mental Models that Fits The Situation

- **Read and Review Logic, Critical Thinking and Mental Models, and ask Questions:**
 - I. Who?**
 - II. What**
 - III. When?**
 - IV. Where?**
 - V. Why?**
 - VI. How?**
- **Pick the most Appropriate Mental Model For the Situation and ask questions:**
 - I. Who?**
 - II. What**
 - III. When?**
 - IV. Where?**
 - V. Why?**
 - VI. How?**

Step 5: Generate Possible Solutions

Purpose:

Develop a wide range of creative, viable options without premature judgment.

Actions:

1. Facilitate creative thinking:

- Brainstorming sessions (individual and group).
- Use ideation tools: SCAMPER, Lotus Blossom, Mind Mapping.

2. Set ground rules:

- Encourage wild ideas.
- Withhold criticism during idea generation.

3. Capture all ideas, no matter how unconventional.

4. Include diverse perspectives:

- Different departments, levels, customers, suppliers.

Tips:

- Use techniques like role-playing, reverse thinking, or analogies to inspire ideas.
- Document all ideas; refine later.



Step 6: Evaluate Alternatives

Purpose:

Systematically assess each solution to identify the best fit based on criteria relevant to the organization.

Actions:

1. **Establish evaluation criteria**, such as:
 - Cost
 - Time to implement
 - Feasibility
 - Return on investment (ROI)
 - Risk exposure
 - Strategic alignment
 - Environmental/social impact
2. **Apply decision-making tools**:
 - **Decision Matrix (Weighted Scoring Model)**: Rate options across multiple criteria.
 - **Cost-Benefit Analysis**: Compare benefits (monetary and intangible) to costs.
 - **Risk Analysis**: Identify and assess probability and impact of potential risks.
3. **Use scenario analysis** to evaluate best-case, worst-case, and most likely outcomes.

Tips:

- Eliminate non-viable options early.
- Involve key decision-makers and stakeholders in the scoring or ranking process.

Step 7: Make the Decision

Purpose:

Commit to the best solution and ensure clarity on why it was chosen.

Actions:

1. **Review analysis and stakeholder input.**
2. **Decide individually or by group** depending on structure and impact.
 - Consensus: All agree
 - Majority: Democratic vote
 - Executive Decision: One person decides
3. **Communicate the decision clearly:**
 - State the chosen solution.
 - Explain the rationale and how it meets criteria.
4. **Obtain necessary approvals or authorization** if required.

Tips:

- Document the decision-making process.
- Be decisive but flexible if new information arises.

Step 8: Develop and Implement an Action Plan

Purpose:

Translate the decision into clear actions, assign ownership, and mobilize resources.

Actions:

1. **Define key milestones, tasks, and deliverables.**
2. **Assign responsibilities and deadlines.**
3. **Determine resource needs** (people, budget, tools).
4. **Create a project plan or roadmap.**
 - Use Gantt charts, Kanban boards, or workflow tools (Trello, Asana, MS Project).
5. **Establish communication plan:**
 - Who needs to be informed? How often? Through what channels?
6. **Train or prepare the team** as needed.
7. **Prepare risk mitigation and contingency plans.**

Tips:

- Set SMART goals (Specific, Measurable, Achievable, Relevant, Time-bound).
- Ensure early wins to build momentum.

Step 9: Monitor, Evaluate, and Adjust

Purpose:

Ensure execution stays on track and make real-time adjustments as needed.

Actions:

1. **Track key performance indicators (KPIs).**
2. **Monitor progress vs. milestones.**
3. **Hold regular check-ins or status meetings.**
4. **Use dashboards, reports, and feedback loops.**
5. **Identify obstacles early** and adapt the plan if necessary.
6. **Solicit stakeholder feedback** continuously.

Tools:

- Balanced Scorecard
- KPI dashboards
- Feedback surveys
- Progress reports

Tips:

- Stay proactive—don't wait for failures to intervene.
- Be willing to revise the strategy based on real-world results.

Step 10: Reflect, Learn, and Institutionalize

Purpose:

Extract and retain lessons learned to improve future problem-solving efforts.

Actions:

1. **Conduct a Post-Mortem or After-Action Review:**
 - What went well?
 - What didn't?
 - What would we do differently?
 - Did I accomplish what I intended? Why? Why not?
 - Are there lessons I learned?
2. **Capture lessons learned** in a shared document.
3. **Update processes, training, or systems** based on findings.
4. **Recognize contributions and celebrate success.**
5. **Apply learnings to future decisions and problems.**

Tips:

- Don't skip this step — reflection builds organizational wisdom.
- Create a culture of continuous learning.

Continuous Improvement Philosophy:

Remember, **strategic problem solving is iterative** — as new data or changes arise, be ready to return to earlier steps.

“In the middle of difficulty lies opportunity.” — Albert Einstein